



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

Representativ	es Present During the Inspection:
Company	Vicky Miller
OGM	Steve Demczak

Inspection Report

Permit Number:	C0070039
Inspection Type:	PARTIAL
Inspection Date:	Thursday, July 21, 2011
Start Date/Time:	7/21/2011 10:00:00 AM
End Date/Time:	7/21/2011 3:00:00 PM
Last Inspection:	Wednesday, June 15, 2011

Inspector: Steve Demczak,

Weather: Sunny, 80's

InspectionID Report Number: 2811

Types of Operations

Accepted by: jhelfric 7/28/2011

Permitee: CANYON FUEL COMPANY
Operator: CANYON FUEL COMPANY
Site: DUGOUT CANYON MINE

Address: PO BOX 1029, WELLINGTON UT 84542

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

Total Permitted	9,751.00
Total Disturbed	108.70
Phase I	
Phase II	
Phase III	

Minera	l Owners	nip
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Federal		✓	Underground
State			Surface
County			Loadout
Fee			Processing
Other			Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

There are no pending compliance actions for the Dugout Canyon Mine permit area.

The Permittee is current relative to the required electronic quarterly water monitoring submittals for 2011.

Inspector's Signature:

Steve Demozak,

Date

Tuesday, July BAR1

OIL, GAS & MINING

Inspector ID Number: 39

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale				
2.	Signs and Markers	~		✓	
3.	Topsoil	✓		✓	
4.a	Hydrologic Balance: Diversions	✓		✓	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures				
4.d	Hydrologic Balance: Water Monitoring				
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives				
6.	Disposal of Excess Spoil, Fills, Benches				
7.	Coal Mine Waste, Refuse Piles, Impoundments	~		✓	
8.	Noncoal Waste	✓		✓	
9.	Protection of Fish, Wildlife and Related Environmental Issues				
10.	Slides and Other Damage	✓	The second	~	
11.	Contemporaneous Reclamation				
12.	Backfilling And Grading				
13.	Revegetation				
14.	Subsidence Control				
15.	Cessation of Operations				
16.	a Roads: Construction, Maintenance, Surfacing				
16.1	Roads: Drainage Controls	~		✓	
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations	V		V	
19.	AVS Check				
20.	Air Quality Permit				
21.	Bonding and Insurance				
22	Other				

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2. Signs and Markers

The permit sign is located at the gate to the property. Information meets the minimium requirements of the R645 Coal Rules.

3. Topsoil

Topsoil piles were stable from wind and water erosion. They are protected by a berm. Some vegetation is growing on the piles.

4.a Hydrologic Balance: Diversions

Some of the diversion had sediment starting to build-up within the ditch. The permittee stated they will have the diversions cleaned out. This was due to the recent rain storms.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond at the mine site contained water but was not discharging. I did not see any hazardous conditions inspecting the ponds during the inspection. The refuse pile sediment pond contained a small amount of water but will not discharge in the near future.

7. Coal Mine Waste, Refuse Piles, Impoundments

I inspected the refuse piles and did not see any hazardous conditions.

8. Noncoal Waste

The mine site was clear of non-coal waste materials.

10. Slides and Other Damage

No slides or other damage was noticed during the inspection.

16.b Roads: Drainage Controls

Diversions were opened and functioning as designed.

18. Support Facilities, Utility Installations

No new support facilities were constructed since the last inspection.